

Car Sharing Program and the Formalization of a Pilot Program Vetting Process in Montgomery County

CountyStat Principles

- **Require Data-Driven Performance**
- **Promote Strategic Governance**
- **Increase Government Transparency**
- **Foster a Culture of Accountability**



Agenda

- **Overview of WeCar/ MC Carshare Pilot Program**
- **Overview of Proposed Pilot Program Vetting Process**
 - **Performance Review Best Practices**
 - **Financial Review Best Practices**



Overview of WeCar/ MC Carshare Pilot Program

- WeCar/MC Carshare program is an additional service provided under the contract between Montgomery County and Enterprise Rental Company.
- Main purpose was to supplement the County's fleet of vehicles with more fuel efficient, environmentally friendly cars in addition to providing a means of transportation to County employees who need vehicles to perform County business but do not have access to a department-issued vehicle or who only need use of a vehicle on an hourly basis to attend meetings, training, etc.
- The program was to work in conjunction with the Division of Fleet Management's efforts to recall and redistribute underutilized County vehicles, thus saving the County money in vehicle replacement costs.

According to DGS, the success of the program is contingent upon the number of underutilized County vehicles turned in



Source: DGS

We Car/MC Carshare Legislative Background

County Council Bill 29-07, Enacted April 22,2008

- Requires the director of then DPWT of the Sustainability Working Group to evaluate the costs and benefits of creating a car sharing program
- Defines car share program as a program that allows County employees to conduct County business using motor vehicles which:
 1. Are owned or leased by the County; and
 2. County residents and business can lease when they are not being used for County business
- States purpose of program is to reduce:
 1. Number of motor vehicles in the County fleet
 2. Dependence of County residents and businesses on motor vehicle ownership



Source: Council Bill 29-07

We Car/MC Carshare Legislative Background

County Council Bill 29-07, Enacted April 22,2008

- States that the County should partner with a private entity to develop a car share program
- Requires the Sustainability Working Group to submit a report to the County Executive and County Council by July 1,2008 articulating whether the County should create, or provide incentives for the private sector to create a car share program and the type of program what best suits the County's needs
- OMB responded to the Council request on January 9, 2008 stating:
 - Preliminary analysis indicates that there would be a significant fiscal impact to implement a car sharing program
 - References costs associated with utilization of Zipcar as a private partner
 - Notes dual utilization of car sharing for both the employees and County residents or businesses exposes the County to liability issues
 - States that purchasing of commercial insurance to cover potential liability issued raid by dual utilization would have a significant fiscal impact



Source: Council Bill 29-07

Car Sharing Concept Study Moves Toward Pilot Status

- January of 2009 the Montgomery County Sustainability Working Group releases the “Montgomery County, Maryland Climate Protection Plan”
 - Under the one-year pilot program, the County will make 30 hybrid and sub-compact vehicles available at three locations for shared use by employees.
 - The program will reduce gas consumption and make more efficient use of fleet vehicles. If successful, the County could also save money by permanently reducing the number of cars and trucks in our fleet.

YOUR CAR AWAITS!
A FLEET OF NEW HYBRID CARS IS READY 24/7 TO MEET
YOUR COUNTY BUSINESS TRAVEL NEEDS

What is WeCar MC CarShare?
The WeCar/MC CarShare is a great way for the County to reduce transportation expenses and help the environment while providing a convenient method of business transportation for County employees. All of the CarShare vehicles are hybrids with greater fuel efficiency and lower emissions which lessen the impact on the environment. Additionally, car sharing reduces the number of cars in the fleet.

How Does the Program Work?
Step 1: Log on to our web site at <http://dgs-fms6/intranet/%5Ccarshare.asp> and follow the link to complete an application on-line. You will be assigned a Member ID. Once you become a member, you'll be contacted to schedule your orientation session where you'll receive your welcome kit that includes your 24-access membership card in addition to instructions on operating the hybrid vehicles.
Step 2: To reserve a vehicle on-line, simply go to <http://wecar.com> and login with your Member ID and personally selected password. Once you log in, you'll be taken right to the reservation page where you can search for available vehicles. It will direct you to the nearest available vehicle for the day and time you've requested.
Step 3: Simply go to the vehicle at your reservation time and hold your membership card over the sensor in the windshield. The system will recognize your card and the car will unlock. The keys to the ignition and garage access card (for FOB and COB) are waiting for you in the glove compartment.
Step 4: When your rental comes to an end, return the car to the same location that you picked it up. That way, the next member can find it as easily as you did. And remember to put the ignition key back in the glove compartment. Finally, hold your membership card over the sensor in the windshield to signal the end of your rental, and you're finished.

What is Required?
Your personal credit card is required to register. It will only be charged if you receive a speeding or no-light citation and/or fail to comply with the WeCar/MC CarShare policies. Your card information is securely stored.

How Much Does It Cost My Department?
The hourly rate charged to departments for use of CarShare vehicles for official County business is \$6. Individuals are NOT charged for official county business use. For a list of fees and policies, visit the Fleet Management Services intranet.

Sign Up Today & Go!

- Apply online
- Reserve your car online
- Convenient
- Affordable
- Good for the Environment

CAR PICK-UP LOCATIONS:

- FOB
- COB
- 255 Rockville Pike

CONTACT US
Customer Service and Support
1-877-599-3227
For Mobility Devices
1-877-469-3270
customerservice@wecar.com

SIGN UP TODAY: <http://dgs-fms6/intranet/%5Ccarshare.asp>
RESERVE YOUR CAR: <http://wecar.com>

Department of General Services
Division of Fleet Management Services
16401 Coates Branch View, Rockville, MD 20855
Phone (301) 777-5739 Fax (301) 777-5652
<http://dgs-fms6/intranet/%5Ccarshare.asp>



Source: Sustainability Working Group Report

Car Sharing Concept Study Moves Toward Pilot Status

- January 8th, 2009 PIO issues press release announcing Car Sharing Pilot Program includes:
 - Under the one-year pilot program, the County will make 30 hybrid and sub-compact vehicles available at three locations for shared use by employees.
 - The County's administrative fleet of 757 vehicles is managed by DGS, Division of Fleet Management. All but 11 special purpose cargo and passenger vans and loaner vehicles are currently assigned to departments, which pay the cost for vehicles through their budgets.
 - DGS estimates that in order to make the car share program economically viable, a minimum of 2.5 County vehicles will need to be eliminated for every car share vehicle provided.

**The elimination of 50 existing fleet vehicles is necessary to meet DGS estimates for making the program economically viable.
To date, 17 cars have been eliminated.**



Source: PIO Press Release: 1/8/09

Overview of WeCar / MC Carshare Pilot Program

- WeCars leased by Enterprise consist of hybrid cars and Small SUVs.
- Montgomery County is leasing 20 vehicles from Enterprise at a rate of \$1,100.00 per month per vehicle.
 - This rate includes the leasing of the car, fuel, maintenance, roadside assistance, use of the WeCar online reservation system, and periodic cleaning of the car.
- Car share vehicles are currently located at:
 - EOB garage
 - COB garage
 - 255 Rockville Pike
 - Crabbs Branch Way
 - 100 Edison Park Drive
- Enterprise performs all application reviews, background checks, and approvals.
- For billing purposes, Enterprise provides a monthly invoice and detailed trip log, which lists reserved and actual use times by employees.
 - With this information, DGS performs a monthly chargeback to the departments at a rate of \$6.00 per hour, based on the reserved time.



Source: DGS

We Car/MC Carshare Pilot Enterprise Agreement

- Enterprise contract no. 6507000619AA amended (Amendment No. 2) was executed to include WeCar program
- Contract ran from January 1, 2009 through October 23, 2009
- Monthly vehicle charges include:
 - Contractor preapproval of employees by an application format approved by the County
 - Contractor provision of training literature
 - Contractor provides 24 hour support accessible by internet, facsimile, and telephone
 - Contractor provides fuel, routine cleaning and maintenance, upfront payment of fines with County reimbursement

Implementation Costs

\$275.00 per week until December 31, 2008

Vehicle Charges

\$1,100 per vehicle per month

Cost Per Vehicle Per Year
\$13,200



Source: DGS

WeCar/ MC Carshare Pilot Program Development Timeline

Dec 2007	ZipCar meeting and presentation of their car sharing services.
Mar 2008	DGS meets with Philly Car Share, a nonprofit organization, who services the City of Philadelphia, Pennsylvania.
Apr 2008	DGS takes trip to Philadelphia to view Philly Car Share operation.
Jul 2008	DGS meets with Enterprise Leasing to discuss their WeCar program.
Dec 2008	Enterprise contract no. 6507000619AA amended (Amendment No. 2) is executed to include WeCar program. Contract to begin January 1, 2009 through October 23, 2009.



Source: DGS

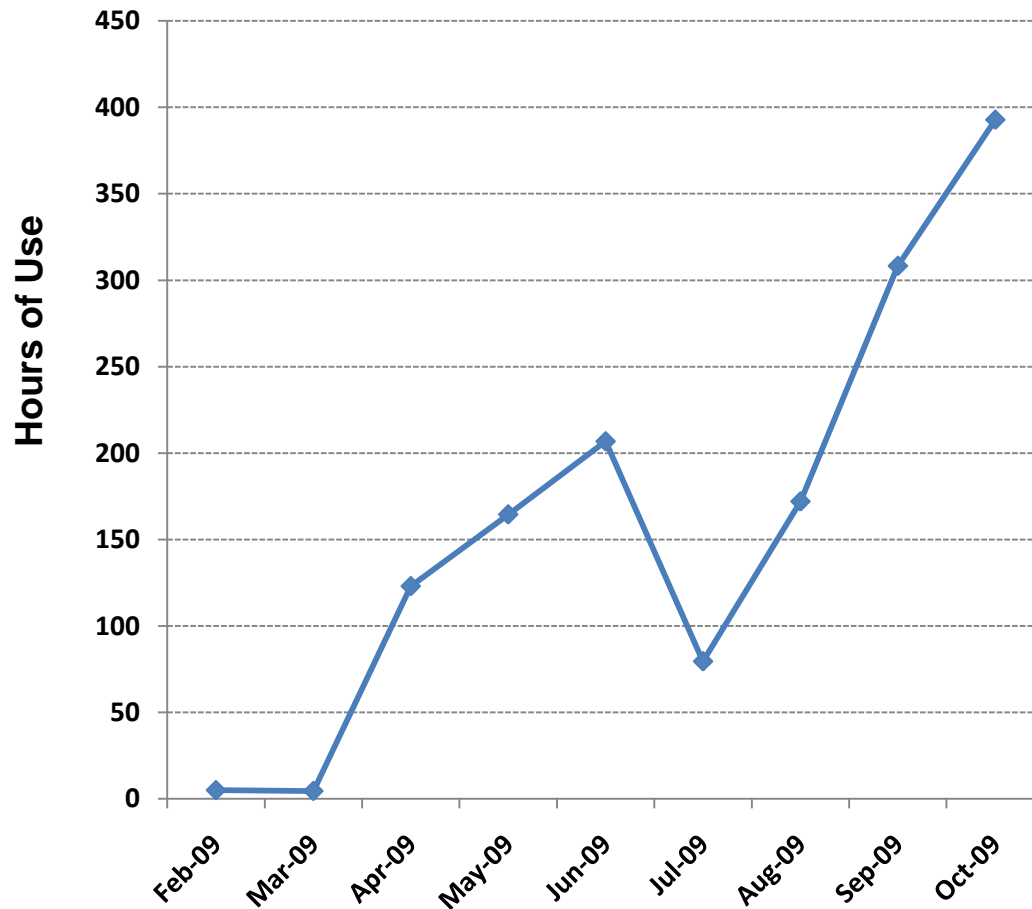
WeCar/ MC Carshare Pilot Program Implementation Timeline

Jan 2009	<ul style="list-style-type: none">• Delivery and execution of 24 vehicles (Toyota Priuses). Vehicles delivered to the EOB, COB, 255 Rockville Pike, and Crabbs Branch Way.• Memorandum introducing the MC CarShare/WeCar program is circulated to all County Departments and Agencies as well as being posted on Fleet Management's website.• Initial demonstrations are held on January 9th, 14th, and 15th at the EOB, COB, and 255 Rockville Pike.
Feb 2009	First recorded use of WeCar. The number of employees signed up at this point is 16.
Mar 2009	WeCar fleet is up to 28 vehicles, with the addition of 4 Ford Escape Hybrids.
Apr 2009	WeCar fleet is complete with 30 vehicles, 24 Toyota Priuses and 6 Ford Escape Hybrids.
Jul 2009	Four (4) vehicles moved to the County's newest facility, 100 Edison Park Drive making the total number of locations 5.
Sep 2009	At the request of County Council, the WeCar fleet was reduced from 30 to 20 vehicles. Ten (10) Toyota Priuses were returned to Enterprise.



Source: DGS

WeCar/ MC Carshare Pilot Program Status Update: Utilization



Month	Hours
Feb-09	5
Mar-09	4.5
Apr-09	123
May-09	164.5
Jun-09	206.75
Jul-09	79.5
Aug-09	172
Sep-09	308.25
Oct-09	392.75



Source: DGS

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WeCar/ MC Carshare Pilot Program Status Update: Utilization

- The Pilot WeCar/ MC Carshare Program originally required employees to register for the service with a personal credit card
- Through feedback from users and potential users, registration of a personal credit card was identified as a barrier to greater utilization and the requirement was removed

DGS	DOT	DTS	Council	PIO	HCA
49	44	20	10	4	4

DEP	OMB	Zoning	Finance	Consumer Protection	HHS
3	3	2	2	1	1

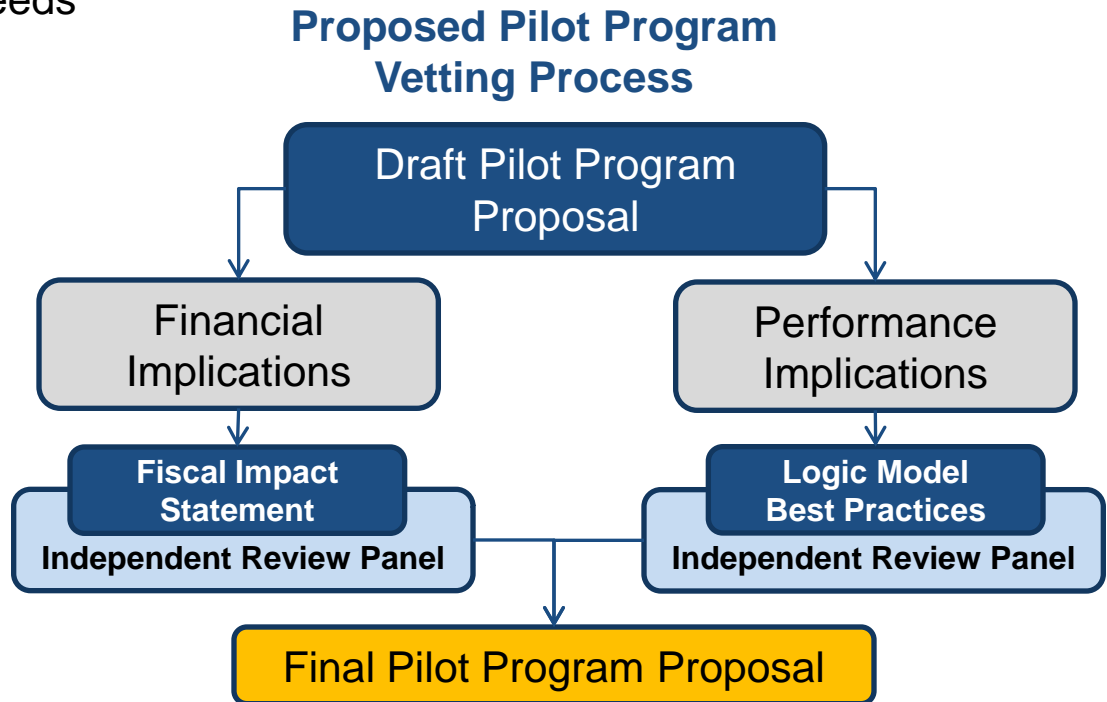
As of October 31, 2009, there are over 143 County employees signed up with the WeCar program.



Source: DGS

Overview of Proposed Pilot Program Vetting Process

- Proper evaluation of a pilot program requires a review of both financial and performance implications
- Within each of these broad categories is a number of individual functions that are affected by the creation of a pilot program
- Creating a system to review each of the broad categories will help ensure that the pilot programs meet the desired needs
- Financial Implications can be reviewed via the creation of fiscal impact statements with accompanying independent fiscal review panel
- Performance implications can be reviewed via the development of a logic model with accompanying independent review



Source: CountyStat

Summary of CountyStat Recommendations

1. Create more formal system for financial review of potential pilot programs

- Create a minimum dollar threshold for financial review
- Outline a timeframe for completion of financial review
- Utilize best practices existing within Montgomery County such as the Finance/OMB Master Plan Fiscal Impact Committee and the DTS CIO Approval Process to guide development of financial review panel

2. Require creation of program logic model and summary of industry best practices prior to creation of pilot program

- Clearly outline goals, expectations, and metrics of performance for pilot program
- Ensure that programmatic resources align with goals of the pilot program
- Minimize learning curve and resource outlays by incorporating best practices from within and outside the County



Source: CountyStat

Fiscal Review Best Practices: Cost Comparison

	Year One Initial Costs
	Cost per Vehicle
Enterprise WeCar	\$ 13,200.00
Zipcar - Good	\$ 22,300.00
Zipcar - Better	\$ 23,500.00
County Owned Prius *	\$ 28,900.13
County Owned Escape *	\$ 36,573.27

	Annual Costs
	Cost per Vehicle
\$	13,200.00
\$	22,300.00
\$	23,500.00
\$	5,541.13
\$	7,084.35

* Year one cost for County owned vehicles includes initial purchase price as well as average annual costs

	Cumulative Cost per Vehicle Over Time			
	Year 1	Year 2	Year 3	Year 4
Enterprise WeCar**	\$ 13,200.00	\$ 26,400.00	\$ 39,600.00	\$ 52,800.00
Zipcar – Good **	\$ 22,300.00	\$ 44,600.00	\$ 66,900.00	\$ 89,200.00
Zipcar – Better **	\$ 23,500.00	\$ 47,000.00	\$ 70,500.00	\$ 94,000.00
County Owned Prius	\$ 28,900.13	\$ 34,441.26	\$ 39,982.39	\$ 45,523.52
County Prius w/ Car Share Technology	\$ 32,780.13	\$ 38,321.26	\$ 43,862.39	\$ 49,403.52
County Owned Escape	\$ 36,573.27	\$ 43,657.62	\$ 50,741.97	\$ 57,826.32
County Escape w/ Car Share Technology	\$ 40,453.27	\$ 47,537.62	\$ 54,621.97	\$ 61,706.32

** Assumes continuation of contract at existing pricing

Source: CountyStat Analysis of DGS Data



Fiscal Analysis Example: DGS Analysis of Zipcar Cost Breakdown

DGS ZIP CAR COST ANALYSIS

	Monthly Charge Per Vehicle	Annual Charge Per Vehicle	Annual Fees (Site License)	Total Annual Costs Per Vehicle	Total Annual Cost for 30 Vehicles
¹ Good Class	\$1,650	\$19,800	\$2,500	\$22,300	\$669,000
² Better Class	\$1,750	\$21,000	\$2,500	\$23,500	\$705,000

¹ Good class vehicles include Toyota Yaris, Toyota Matrix, Scion XA and XB, Honda Civic, Nissan Versa, Mazda 3, Honda Fit and Toyota Tacoma

² Better class vehicles include Volvo S40, Subaru Outback, Toyota Prius, Mini Hardtop, Honda Element, Ford Escape, Mazda 5 and 6, and VW Jetta

Zipcar costs were used to calculate costs documented in the OMB response to County Council Bill 29-07



Source: DGS

Fiscal Analysis Example: DGS Analysis of County Owned Hybrid Cost Breakdown

Toyota Prius:

Stock #	Mileage	Age (years)	Maint (life)	Fuel (life)	MPG	Monthly Replacement	Monthly Insurance	Monthly Overhead	Total Annual Average Cost
021685	44,779	7	\$4,089.09	884.3	50.64	\$260.10	\$37.15	\$94.95	
021686	54,574	7	\$5,607.19	1105.6	49.36	\$260.10	\$37.15	\$94.95	
Lifetime Avg	49,677		\$4,848.14	994.95	50.00				
Annual Avg	7,097		\$692.59	142.14		\$3,121.20	\$445.80	\$1,139.40	\$5,541.13
Most current price: \$22,359.00 PO #9367000153									

Ford Escape Hybrid:

Stock #	Mileage	Age (years)	Maint (life)	Fuel (life)	MPG	Monthly Replacement	Monthly Insurance	Monthly Overhead	Total Annual Average Cost
051864	17,949	4	\$2,360.67	477.4	37.60	\$324.68	\$37.15	\$94.95	
058180	32,254	4	\$2,110.46	922.6	34.96	\$324.68	\$37.15	\$94.95	
058181	78,771	4	\$8,770.80	2840.2	27.73	\$445.15	\$37.15	\$94.95	
058182	35,156	4	\$1,477.10	906.1	38.80	\$324.68	\$37.15	\$94.95	
Lifetime Avg	41,033		\$3,679.76	1286.6	34.77	\$4,257.57	\$445.80	\$1,139.40	
Annual Avg	10,258		\$919.94	321.6		\$4,257.57	\$445.80	\$1,139.40	\$7,084.35
Most current price: \$29,488.92 PO #0367000203									



Source: DGS

Financial Review Best Practices: Master Plan Fiscal Impact Committee Model

Master Plan Fiscal Impact Committee

- Comprised of staff from Finance and OMB
- Meet on ad hoc basis to determine fiscal and economic impact of Master Plans and Sector Plans.
- Major Steps in Process
 - Gather relevant stakeholders who will analyze the Plans
 - Identify fiscal impact associated with projects identified in the Master and Sector Plans; and
 - Develop list of other infrastructure projects necessary to meet the goals of the Master and Sector Plans
 - Perform analysis of financial and economic impacts
 - Identify methods for funding

Applying Fiscal Impact Committee Model to Pilot Program Vetting Process

- Designate members of Finance and OMB to serve on standing committee that will meet to determine fiscal impact of pilot within County Government and externally
- Create a threshold that requires departments to submit their pilot program proposal for fiscal review
- Articulate a timeline for review
- Generate recommendation to departments and/or CAO on the fiscal implications of pilot program



Source: Finance / CountyStat

Financial Review Best Practices: CIO Approval Process Model

The primary purpose of this work request evaluation process is to ensure that the County's limited resources are working on the projects that best align with the County Government's priorities and bring the most value to the business.

- Develop a business case
 - Business Need/Problem Statement
 - Business Objectives and Expected Benefits
 - Cost/Implications of Not Proceeding with the Project
 - Cost/Implications of Proceeding with the Project
- Define the project
 - Type of Project
 - Project Goals (Scope)
 - Project Deliverables
 - Technical Infrastructure and Services Requirements
 - Project Constraints and assumptions
 - Other Solution Alternatives
- Define known cost estimates
- Define known schedule constraints

Once all of these steps in the process are completed, a panel is convened and projects are scored through the DTS Work Request Scorecard



Source: DTS CIO Approval Plan

Financial Review Best Practices: DTS Work Request Scorecard Criteria Model

Criteria	Ranking Factors
Priority (Weight = 20%)	1: Not a required Mandate; Work Request does not align with CE Objectives 5: Required Mandate with Deadline over a Year or Not Required but Key Initiative for Departmental Strategic Direction 10: Required Mandate Due within a Year; Work Request is a necessary component to meet CE objective(s)
Urgency of Need (Outcome if work is not done) (Weight = 30%)	1: Minimal negative impact to County if Work Request is not completed 5: Significant impact to small group of users in the County 10: Critical impact to County if Work Request is not completed
Overlap with existing technology project (Weight = 10%)	1: Significant overlap or conflicting requirements/scope with existing project 5: Minor impact/overlap with existing project 10: No known overlap or conflicting requirements/scope with existing project



Source: DTS CIO Approval Plan

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Financial Review Best Practices: DTS Work Request Scorecard Criteria Model

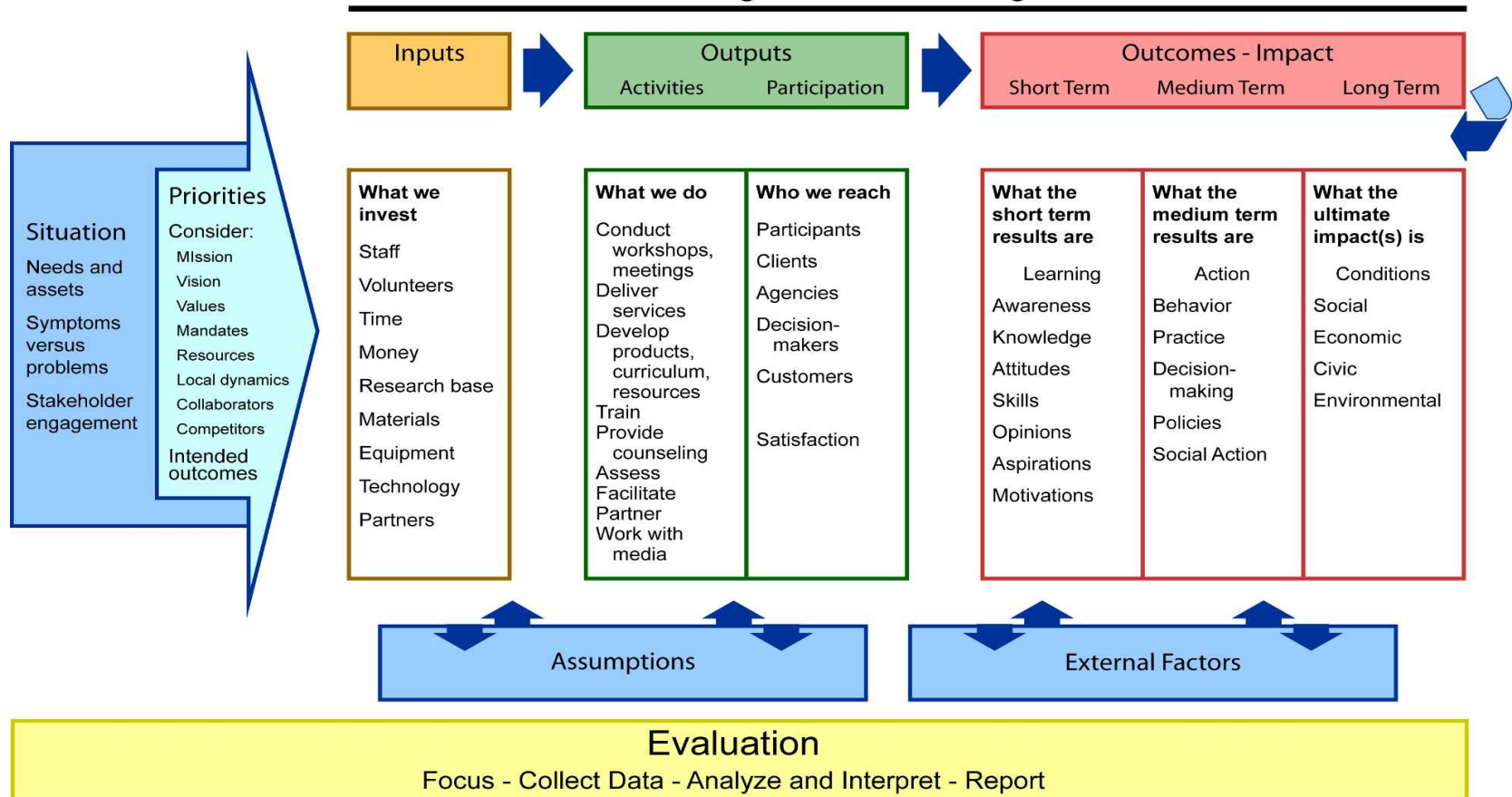
Cost / Benefit (Weight = 10%)	1: Work Request costs outweigh benefits and may not provide a substantive return on investment. 5: Work Request benefits are approximately the same as the cost/effort needed to complete the work (break-even) 10: Work Request benefits outweigh costs and may provide a substantive return on investment.
Project Risk (Weight = 15%)	1: Low level of confidence in implementation success; work has not been performed before at the County; Schedule requirements are not feasible; Required skill set not available with available Work Request Funding; Work Request conflicts with County Architecture/Standards 5: Reasonable level of confidence in implementation success; work has been performed by current resources but not in the County environment; Schedule requirements are somewhat feasible; Skill set is either available with funding but hard to find; Work Request conforms with County Architecture Standards but may not be a good fit 10: High level of confidence in implementation success; work has been performed before successfully at the County; Schedule requirements are realistic and attainable; Required skill set is available with available Work Request Funding; Work Request is compatible with County Architecture/Standards
Security Vulnerability Compliance (Weight = 15%)	1: Significant security risk to County 5: Security risk to County that can be realistically mitigated 10: Minimal security risk to County



Source: DTS CIO Approval Plan

Performance Review Best Practices: Developing a Logic Model

Program Action - Logic Model

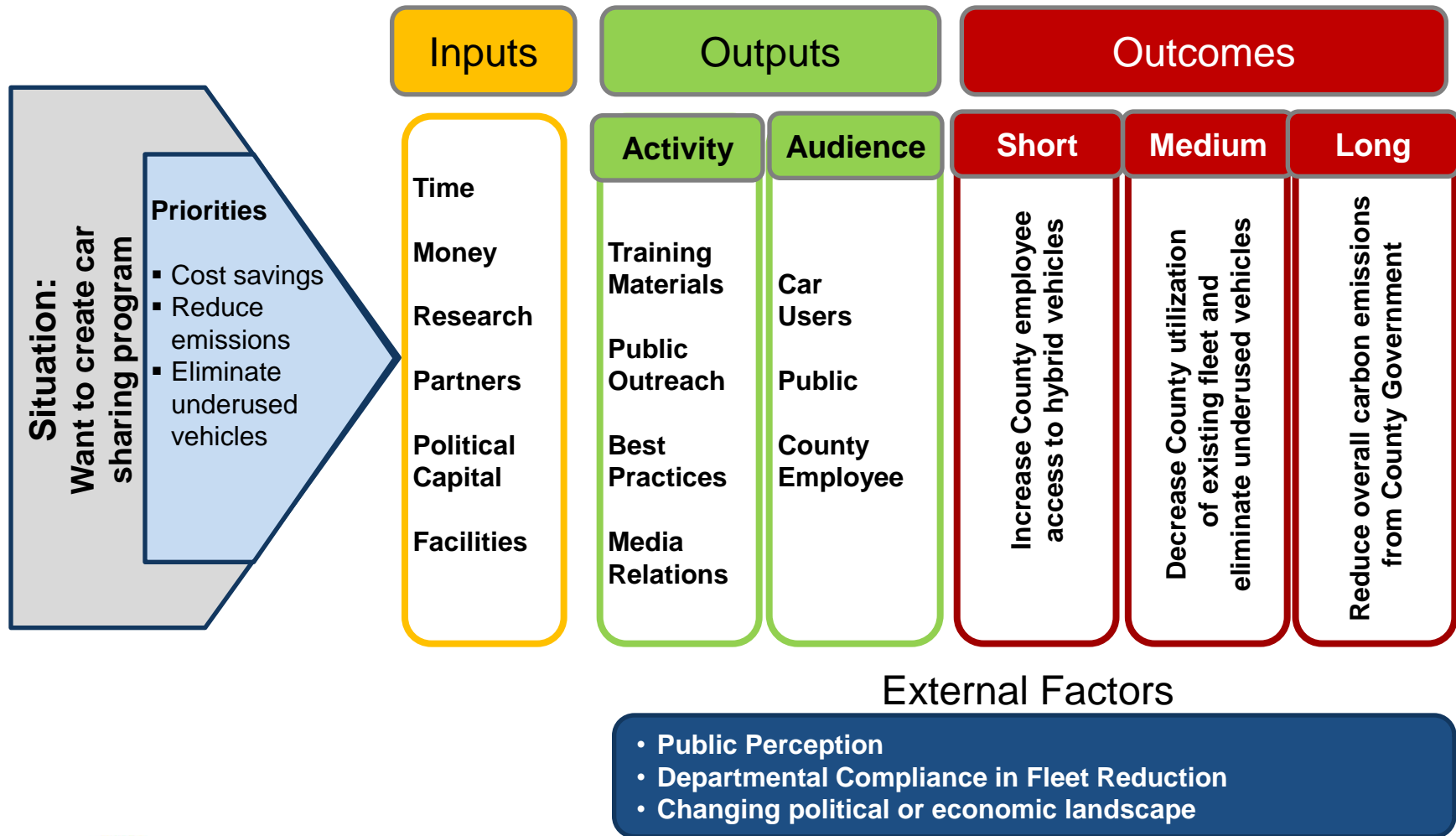


When developing a logic model, it is essential that the situation and priorities are clearly articulated at the onset

Source: University of Wisconsin - Extension



Performance Review Best Practices: WeCar/ Car Share Logic Model Example



Source: CountyStat

Performance Review Best Practices: Best Practices Research

▪ Philly Car Share Best Practices

- Utilized independent third party to evaluate all vehicle relinquish candidates
- Committed to purging at least 300 vehicles from existing fleet and used this goal to track results
- Identified underutilized vehicles and removed them from operation
- All departments participated in fleet reduction without exceptions, including public safety
- Conducted due diligence with all departments and agencies on an ongoing basis to identify needs
- Engaged in public/ private partnerships

The program, “changed a culture of expectation and entitlement in the city with respect to passenger vehicle access” – Robert Fox, CAO of Philadelphia Office of Fleet Management



Source: Entrepreneur Dec, 2006

Performance Review Best Practices: We Car / MC Carshare Example

Best Practice	Philadelphia	Washington DC	Montgomery County
Independent Audit of Fleet Utilization	Yes	No	No
Set Goal for Fleet Reduction	Yes	Yes	Yes
Require Removal of Vehicles From Inventory	Yes	Yes	No
Include Public Safety Vehicles in Reduction	Yes	No	No

Last year was the first time in the history of Montgomery County that the administrative fleet size did not increase



Source: DGS; Entrepreneur Dec, 2006; Government Technology Aug 2009

CountyStat

Wrap-Up and Follow-Up Items

